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Committees  
Economic Development, Small  
Business and Regulatory Reform VC  
Families and Human Services VC  
Government Operations  
Health Policy

# The Jacobs Report

**FOR IMMEDIATE RELEASE**  
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## **LEGISLATURE PASSES CASINO TAX**

Following a ten-hour lockdown of 109 House members, both chambers managed to pass the conference committee report raising the state's casino tax by six percent.

Both the Granholm Administration and Speaker Rick Johnson (R-LeRoy) were instrumental in rounding up support for the bill, which was more than forty votes short of passage when the voting board first opened. The final tally, a 93-15 victory on the bill, came only after the first *Call of the House* in 12 years (during which time lawmakers cannot leave the chamber and the State Police are dispatched to round up missing members) and a roll call vote that lasted 1 hour and 39 minutes.

A three-quarters majority was required because the bill amends a voter-initiated law, Proposal E of 1996 that created the casinos.

The approved conference report was the day's second attempt to reach an agreement. Earlier, the House unanimously rejected a casino tax compromise forged Tuesday. House/Senate negotiators quickly reconvened and drafted a new version that included \$6 million per year for agriculture interests, which would stand to benefit from the racino bill.

Once the bill (HB 4612) finally cleared the House, it saw swift action in the Senate. On its first attempt, HB 4612 fell one vote short of approval by a 28-6 margin. Three Democrats did not vote: Jim Barcia of Bay City, Irma Clark-Coleman of Detroit and Martha Scott of Highland Park.

After a quick series of conferences, on a second vote, Mr. Barcia voted "yes" and Sen. Gilda Jacobs (D-Huntington Woods) switched her "no" vote to "yes," the measure passed on a vote of 30-6.

Initially, some lawmakers were reluctant to support the casino tax increase because it was viewed as political poison to the racino bill that would authorize slot machines at the state's horse racetracks. That opposition eventually melted away after racino supporters received a commitment from the Senate for a September vote on the legislation.

"I switched my vote once I received assurance that such a commitment had been made," said Senator Jacobs.

Overall, the bill would raise \$50 million in additional revenue per year for the state and \$25 million annually for the city of Detroit. Supporters consider the bill critical to keeping the state's budget balanced, but opponents, led by the casinos themselves, have called the bill a job-killer that would hinder the construction of permanent casinos.

With the casino tax now in the fiscal mix, approximately \$65 million in cuts are needed to complete action on the budget. Legislative leaders are scheduled to meet during the next few weeks to discuss possible strategies; the House and Senate are scheduled to reconvene later this month.

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**OFIS TO OFFER FREE MORTGAGE LICENSEE/REGISTRANT SEMINARS**

The Office of Financial and Insurance Services (OFIS) announced this week that the agency will be offering free quarterly educational seminars to mortgage licensees/registrants beginning Aug. 11 in Troy.

"Our priority at OFIS is consumer protection," said Linda A. WATTERS, OFIS commissioner. "Meeting with key members of the mortgage industry at these seminars to review laws, policies and other important information helps to ensure that they are in compliance with all the regulations, rules and obligations."

Other seminars are scheduled for Nov. 10 in Lansing, Feb. 9, 2005 in Troy and May 11, in Grand Rapids.

For more information, visit the OFIS web site at [www.michigan.gov/ofis](http://www.michigan.gov/ofis).

**State Senator Gilda Jacobs** represents the 14<sup>th</sup> Senate District, which includes Beverly Hills, Bingham Farms, Farmington, Farmington Hills, Ferndale, Franklin, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield, and Southfield Township. She is the Minority Vice Chair of the Families & Human Services Committee and the Economic Development, Small Business & Regulatory Reform Committee. She also serves on the Government Operations and Health Policy Committees.

**Constituents of the 14<sup>th</sup> District** may contact Senator Jacobs at [sengjacobs@senate.michigan.gov](mailto:sengjacobs@senate.michigan.gov) or toll-free at 1-888-937-4453.

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